



OFFICE OF
INSURANCE COMMISSIONER

7457 03/30/06 \$7,100.00 ✓

In the Matter of

SECURITY NATIONAL
INSURANCE COMPANY,

An Authorized Insurer.

No. D06-136

CONSENT ORDER
IMPOSING A FINE

Findings of Fact:

1. Security National Insurance Company ("Security National") is authorized to conduct insurance business in Washington State. It issues property, casualty, marine transportation, vehicle, and surety insurance.
2. Security National filed its 2004 Statement of Actuarial Opinion with the Office of the Insurance Commissioner ("OIC") on May 3, 2005.
3. RCW 48.05.250 requires that insurers submit an annual statement of the preceding year to the OIC before the first day of March of the following year. The statute permits the Commissioner to revoke or suspend the insurer's certificate of authority for failure to so submit.
4. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.
5. WAC 284-07-060(2)(a) requires an insurer's annual statement be accompanied by a signed Statement of Actuarial Opinion as executed in accordance with the appropriate *Annual Statement Instructions* and *Accounting Practices and Procedures Manuals* promulgated by the National Association of Insurance Commissioners.

Conclusions of Law:

1. The failure of Security National to timely file its 2004 Statement of Actuarial Opinion by the due date of February 28, 2005 constitutes a violation of RCW 48.05.250.

Consent to Order:

Security National consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter, in consideration of the insurer's payment of a fine, as set forth below.

1. Security National consents to entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply with all applicable laws and regulations of Washington State. It waives further legal or administrative challenge to the actions taken, or to be taken, by the Insurance Commissioner relating to the subject matter of this order.
2. Within thirty days of the entry of this Order, Security National will pay to the Insurance Commissioner a fine in the amount of \$7,100 (seven thousand one hundred dollars).
3. If Security National fails to pay the fine in full within thirty days of the entry of this order, this will constitute grounds for the suspension or revocation of the certificate of authority held by Security National in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 9th day of March, 2006

SECURITY NATIONAL INSURANCE COMPANY

By: 

PRINTED NAME: Jack D. Lubner
PRINTED CORPORATE TITLE: President

Order:

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

1. Security National Insurance Company is ordered to pay, within thirty days of the entry of this Order, a fine in the amount of \$7,100 (seven thousand one hundred dollars).
2. Failure to timely pay the fine in full will constitute grounds for the suspension or revocation of the certificate of authority held by the insurer in Washington State.

3. It will also result in a civil action being brought by the Attorney General, on behalf of the Insurance Commissioner, to recover the fine.

Executed this 13th day of March, 2006

MIKE KREIDLER
Insurance Commissioner

By: 
Marcia G. Stickler
Legal Affairs Division